

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.
UTU-0579
6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER
b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

7. If Unit or CA Agreement, Name and No.
NATURAL BUTTES UNIT
8. Lease Name and Well No.
NBU 920-25G

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

9. API Well No.
43047-32069

3A. Address
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)
(435) 781-7060

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface SWNE 2012' FNL 2051' FEL 618492X 40.008092
At proposed prod. Zone 4429368Y -109.611748

11. Sec., T., R., M., or Blk, and Survey or Area
SEC 25-T9S-R20E

14. Distance in miles and direction from nearest town or post office*
11.2 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish
UINTAH
13. State
UT

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

2012'

16. No. of Acres in lease
1920

17. Spacing Unit dedicated to this well
40

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

REFER TO
TOPO C

19. Proposed Depth
10025'

20. BLM/BIA Bond No. on file
CO-1203

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4857.8' GL

22. Approximate date work will start*
UPON APPROVAL

23. Estimated duration
TO BE DETERMINED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Signature *Debra Domenici* Name (Printed/Typed) DEBRA DOMENICI Date 8/17/2005

Title ASSOCIATE ENVIRONMENTAL ANALYST

Approved by (Signature) *Bradley G. Hill* Name (Printed/Typed) BRADLEY G. HILL Date 08-25-05
Title ENVIRONMENTAL SCIENTIST III

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action is Necessary

RECEIVED
AUG 19 2005

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

T9S, R20E, S.L.B.&M.

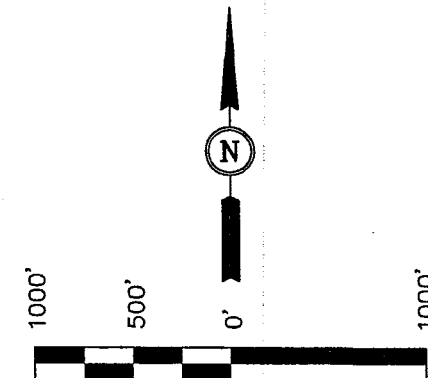
Well location, NBU #920-25G, located as shown in the SW 1/4 NE 1/4 of Section 25, T9S, R20E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE
CERTIFICATE

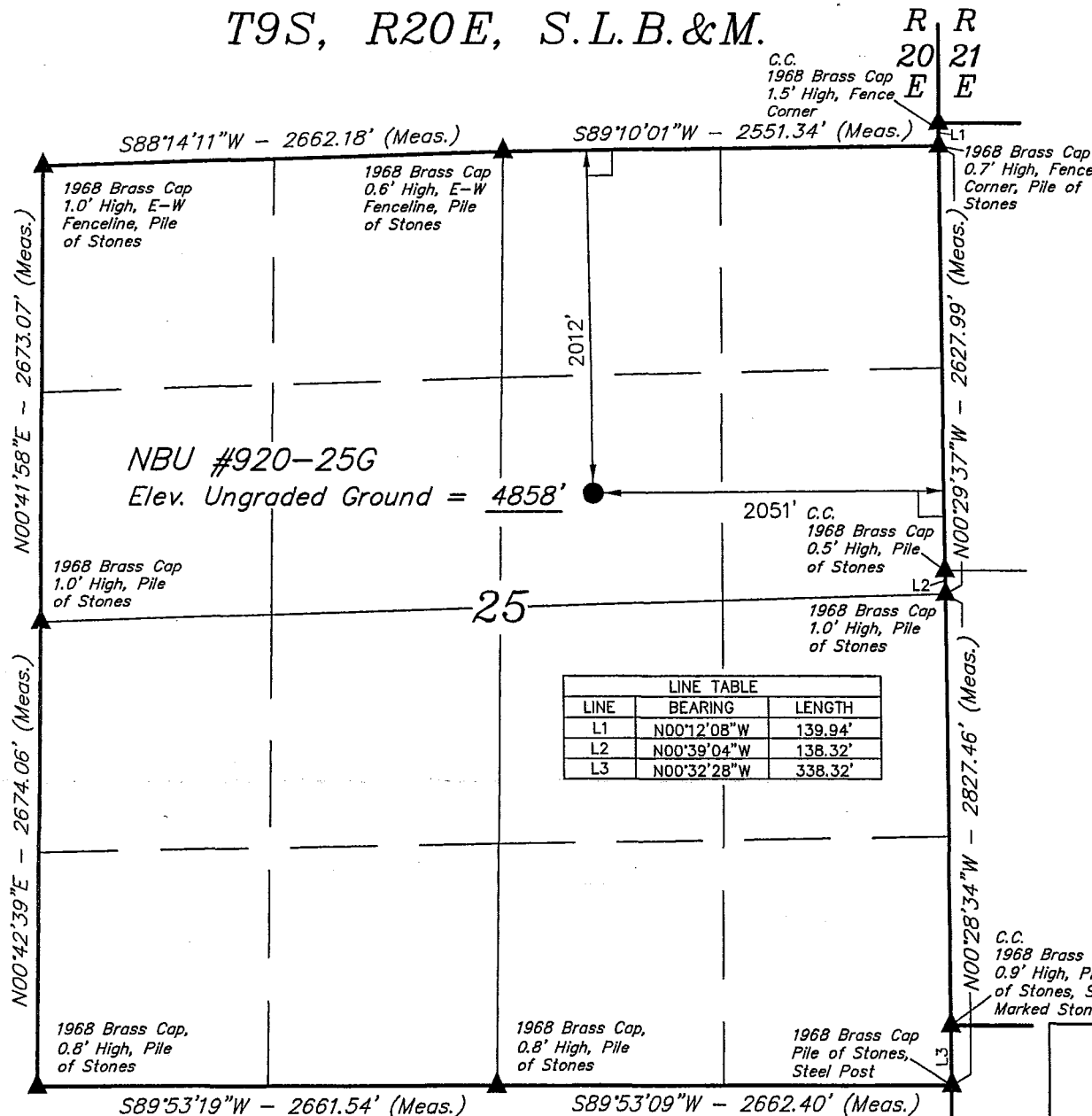
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Rev.: 06-21-05 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-25-05	DATE DRAWN: 05-29-05
PARTY D.K. G.O. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE WESTPORT OIL AND GAS COMPANY, L.P.	



LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°12'08"W	139.94'
L2	N00°39'04"W	138.32'
L3	N00°32'28"W	338.32'

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°00'29.40" (40.008167)
LONGITUDE = 109°36'44.91" (109.612475)
(NAD 27)
LATITUDE = 40°00'29.53" (40.008203)
LONGITUDE = 109°36'42.42" (109.611783)

NBU #920-25G
SWNE Sec. 25, T9S, R20E
UINTAH COUNTY, UTAH
UTU-0579

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1760'
Wasatch	5100'
Mesaverde	8125'
TD	10025'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1760'
Gas	Wasatch	5100'
Gas	Mesaverde	8125'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. **Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 10025' TD, approximately equals 4010 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1804.5 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



Westport Oil and Gas Company, L.P. DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 2300	32.30	H-40	STC	2270	1370	254000
						0.51*****	1.27	3.33
	9-5/8"	2300 to 2700	36.00	J-55	STC	3520	2020	564000
PRODUCTION	4-1/2"	0 to 10025	11.60	I-80	LTC	1.03*****	1.60	7.39
						7780	6350	201000
						1.76	0.96	1.98

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point))
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)
- (Burst Assumptions: TD = 12.7 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
- MASP 4415 psi

***** Burst SF is low but csg is stronger than formation at 2700 feet.

***** EMW @ 2700 for 2270# is 16.2 ppg or 0.8 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2			NOTE: If well will circulate water to surface, option 2 will be utilized				
	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	230	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,595'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	500	60%	11.00	3.38
	TAIL	5,430'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1520	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Tolco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER:

Brad Laney

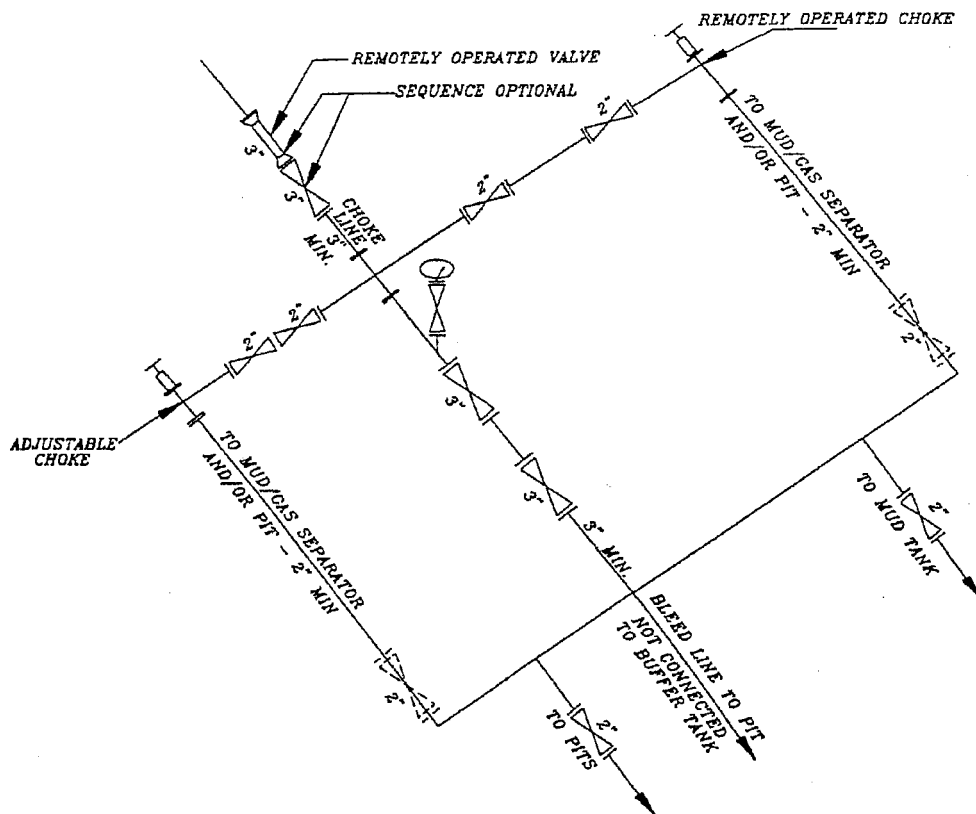
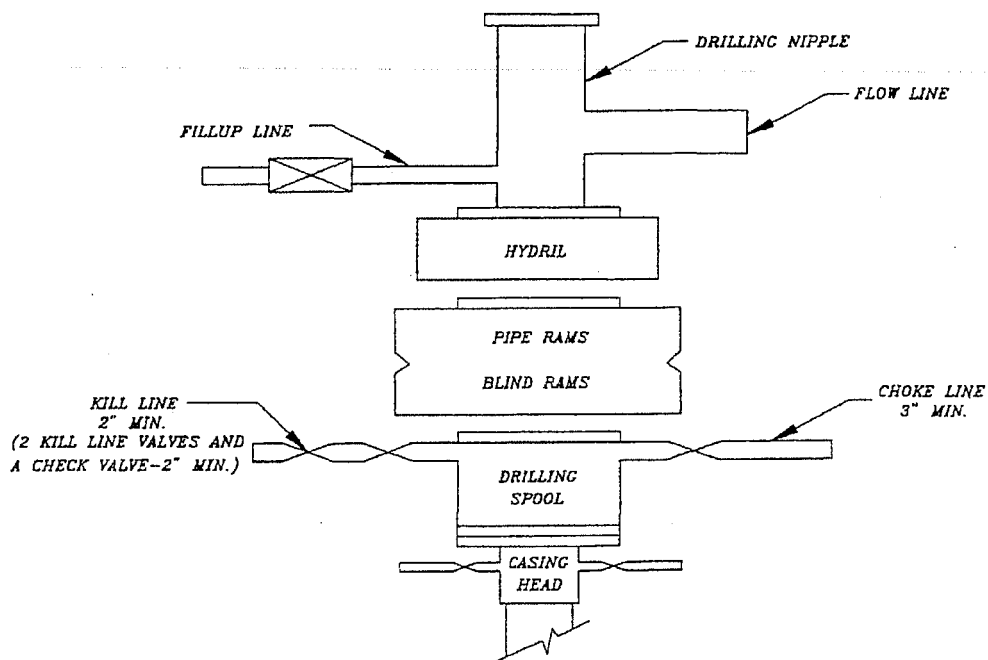
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne NBU920-25G_I80_APD(pipeline).xls

DATE:

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU #920-25G
SWNE SEC 25-T9S-R20E
UINTAH COUNTY, UTAH
UTU-0579

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBU #920-25G on 8/9/05, for the subject well.

1. Existing Roads:

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

Approximately 0.7 miles of existing 2-track needs upgraded, approximately 0.5 miles of re-habed road needs upgraded, and approximately 0.1 miles of new access road is proposed. Refer to Topo Map B.

3. Location of Existing Wells Within a 1-Mile Radius

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

Please see the Natural Buttes Unit SOP.

Refer to Topo Maps D and D1 for the location of the proposed pipelines.

Variances to Best Management Practices (BMPs) Requested:

Approximately 475' of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurate bedrock, such as sandstone, is at or within 2 feet of the surface.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. **Source of Construction Materials**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials**

Please see the Natural Buttes SOP.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities**

Please see the Natural Buttes SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads. The hillside on the northwest side of the pit will be avoided.

As per previous onsite discussion, a 20 mil reserve pit liner with felt will be used.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

Please see the Natural Buttes SOP.

The following seed mixture will be used to reclaim the surface. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Crested Wheatgrass	4 lbs.
Shadscale	4 lbs.
Scarlet Globe Mallow	4 lbs.

The topsoil shall be spread on the location where practical and reseeded one time.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Stipulations:**Wildlife Stipulations:****Antelope Stipulations:**

No construction from May 15 through June 20. A variance may be granted upon request.

13. Other Information:

A Class III archaeological survey and a paleontological survey have been performed and will be filed when received.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operator's Representative & Certification:

Debra Domenici
Associate Environmental Analyst
Westport O&G Co.
1368 South 1200 East
Vernal, UT 84078
(435) 781-7060

Randy Bayne
Drilling Manager
Westport O&G Co.
1368 South 1200 East
Vernal, UT 84078
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Westport O&G Co. is considered to be the operator of the subject well. Westport O&G Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

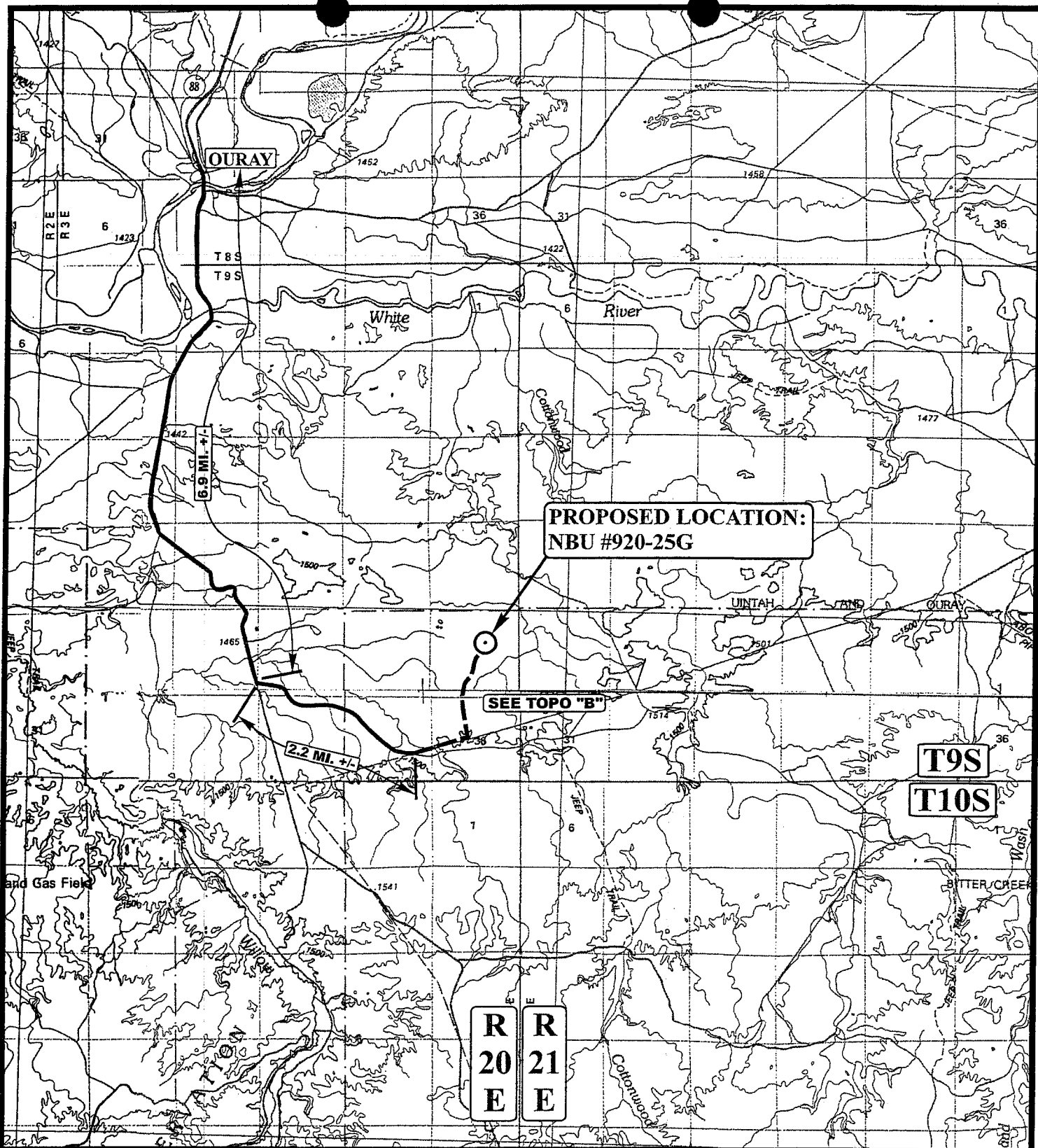
Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Debra Domenici

8/17/2005

Date



LEGEND:

○ PROPOSED LOCATION

N

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #920-25G

SECTION 25, T9S, R20E, S.L.B.&M.

2012' FNL 2051' FEL



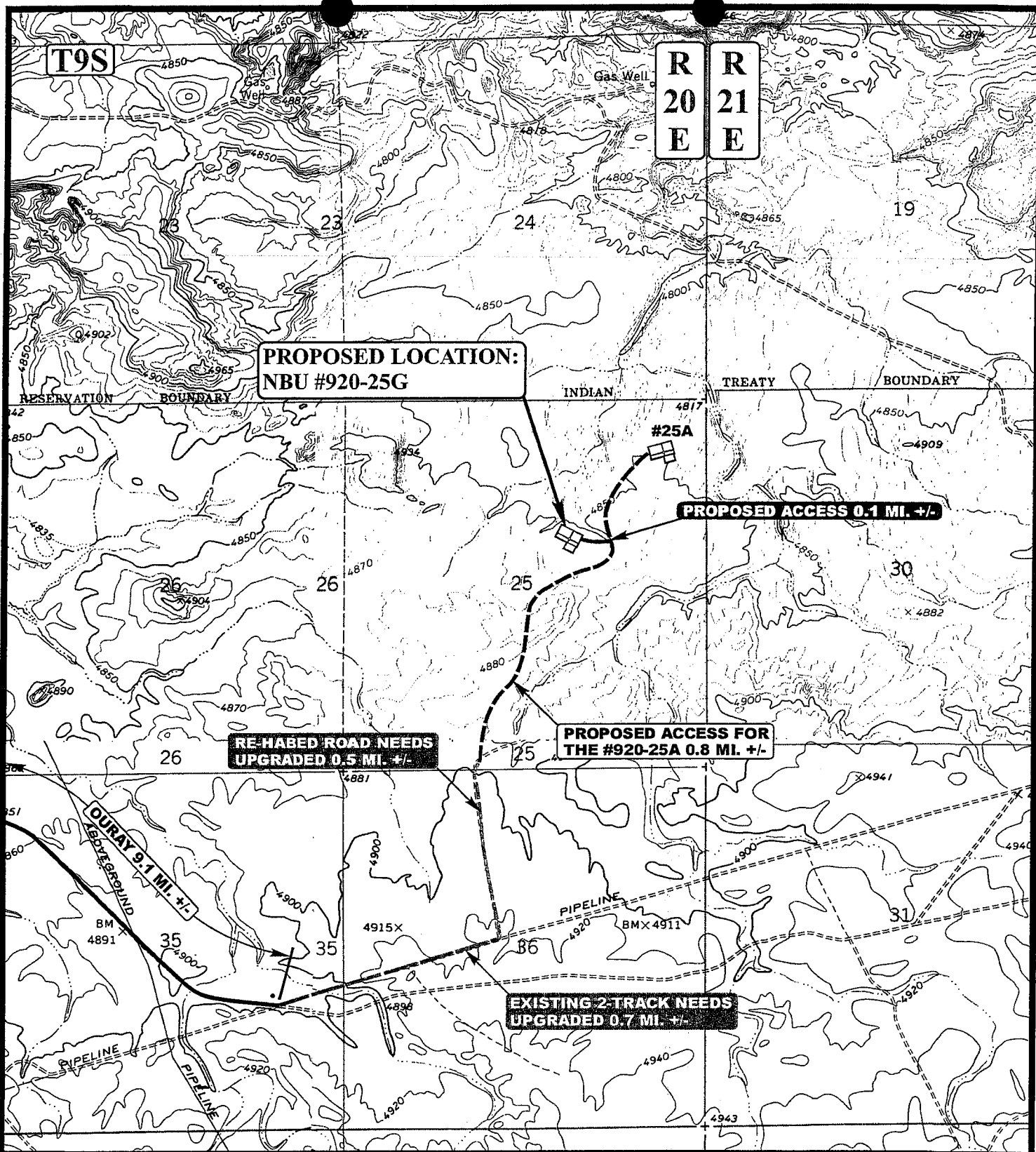
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06 03 05
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

	EXISTING ROAD
	PROPOSED ACCESS ROAD
	EXISTING 2-TRACK NEEDS UPGRADED
	RE-HABED ROAD NEEDS UPGRADED



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #920-25G
SECTION 25, T9S, R20E, S.L.B.&M.
2012' FNL 2051' FEL



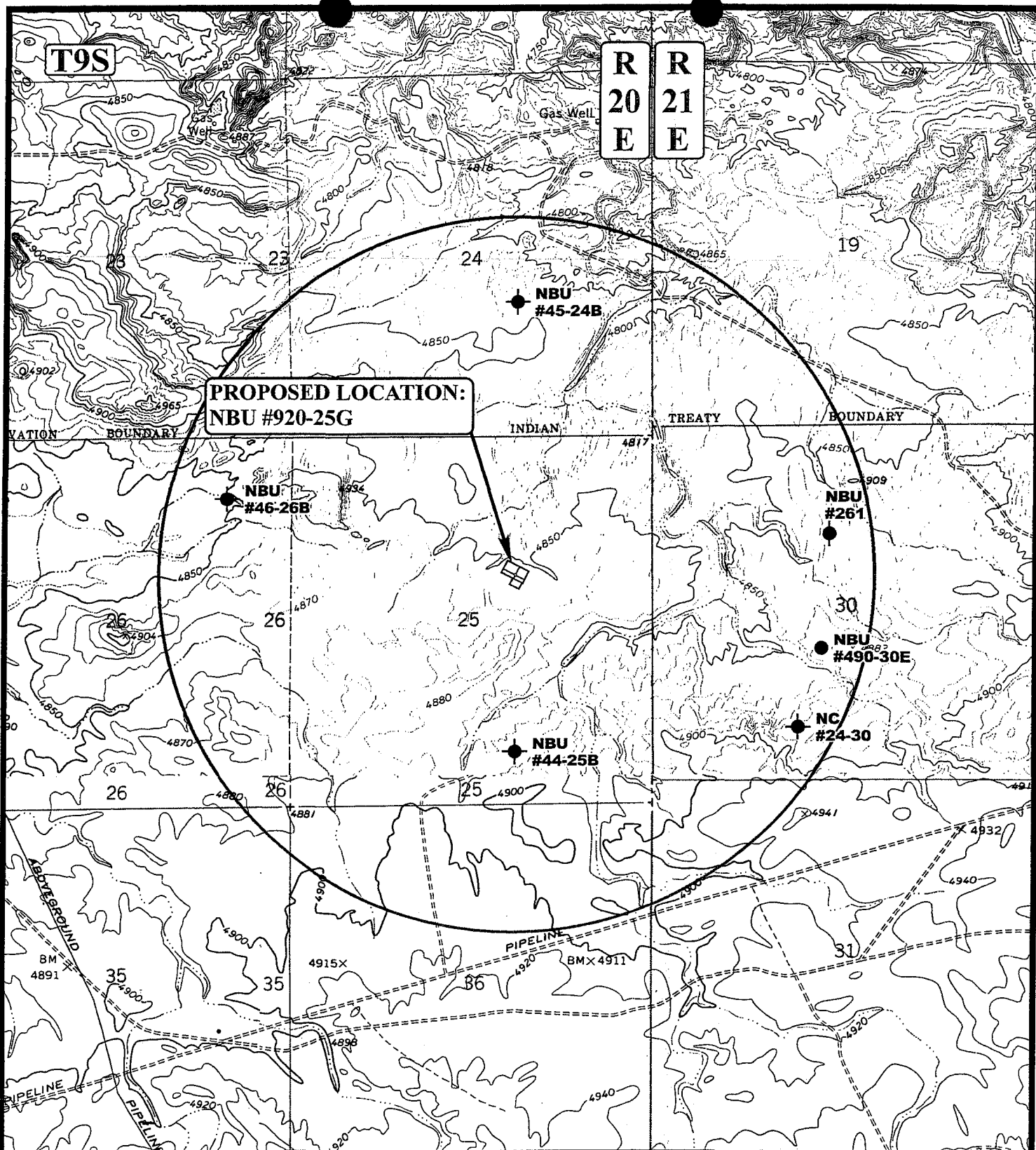
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06	03	05
MONTH	DAY	YEAR

B
TOPO

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



WESTPORT OIL AND GAS COMPANY, L.P.

NBU #920-25G
SECTION 25, T9S, R20E, S.L.B.&M.
2012' FNL 2051' FEL



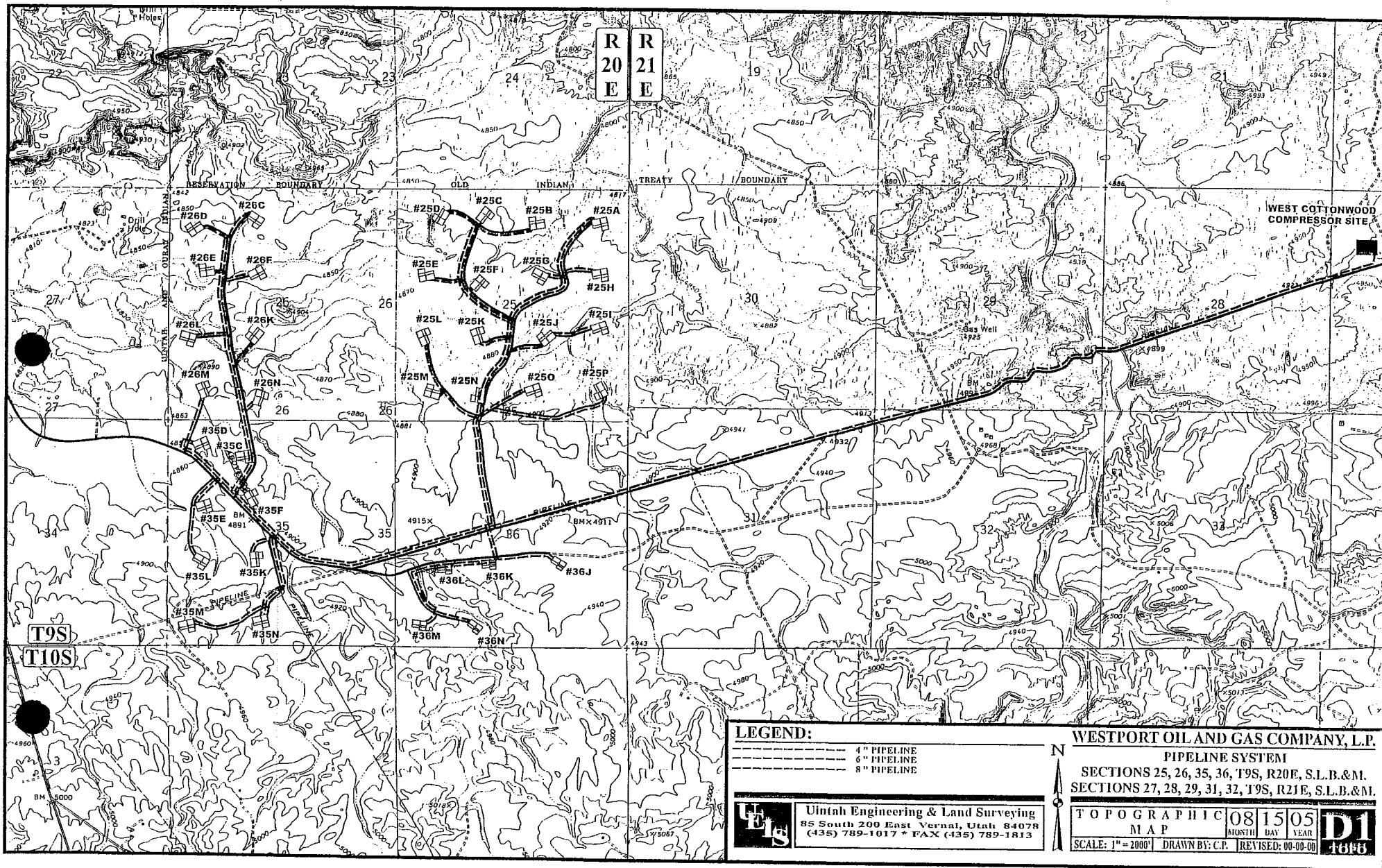
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06 **03** **05**
 MONTH DAY YEAR

SCALE: 1" = 2000' **DRAWN BY: C.P.** **REVISED: 00-00-00**





WESTPORT OIL AND GAS COMPANY, L.P.

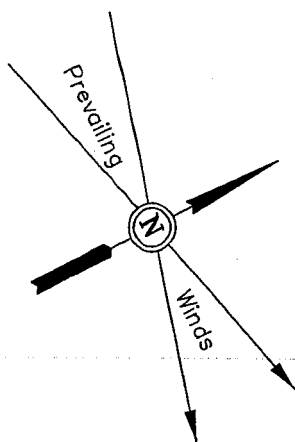
FIGURE #1

LOCATION LAYOUT FOR

NBU #920-25G

SECTION 25, T9S, R20E, S.L.B.&M.

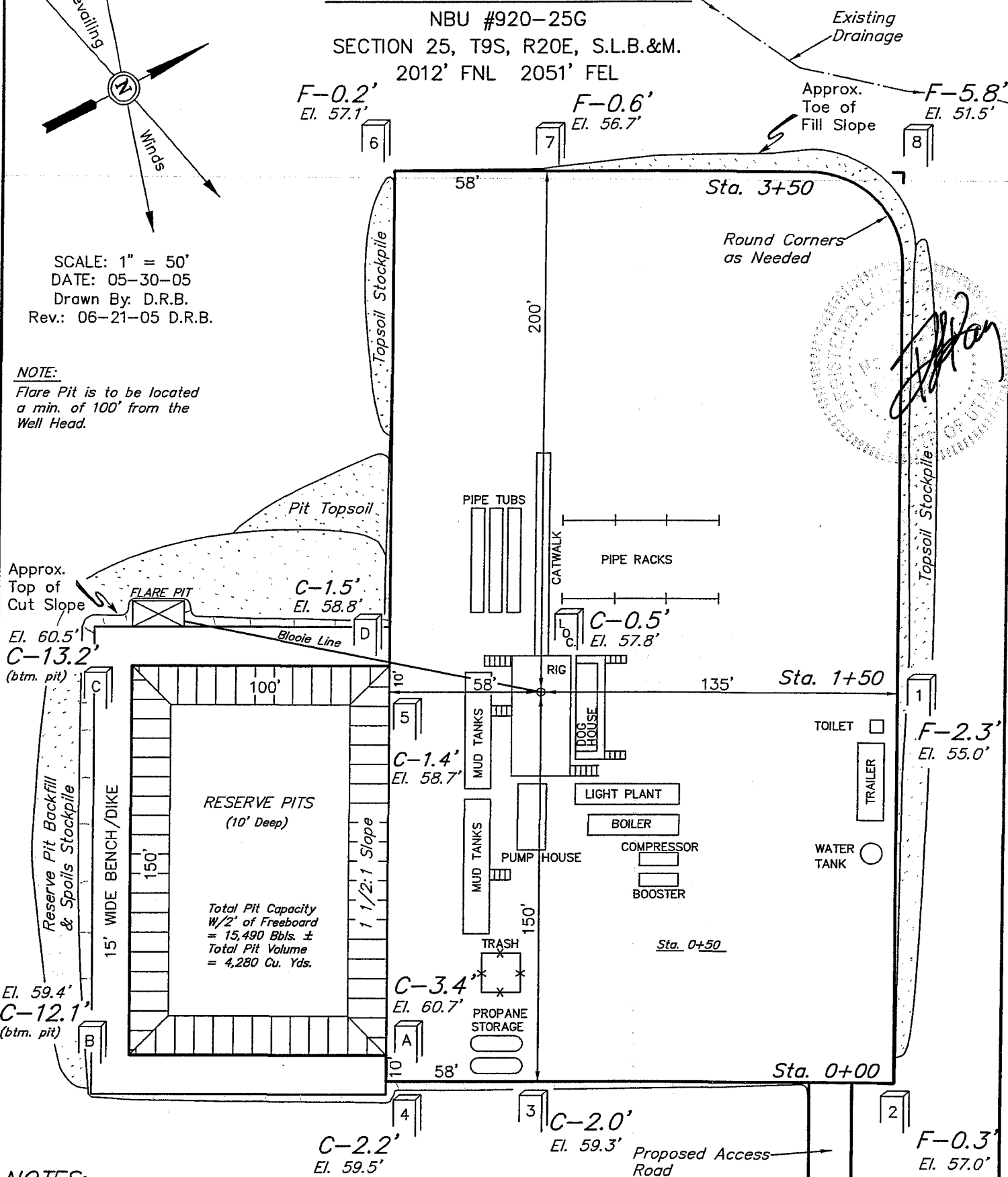
2012' FNL 2051' FEL



SCALE: 1" = 50'
DATE: 05-30-05
Drawn By: D.R.B.
Rev.: 06-21-05 D.R.B.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4857.8'

FINISHED GRADE ELEV. AT LOC. STAKE = 4857.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WESTPORT OIL AND GAS COMPANY, L.P.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #920-25G

SECTION 25, T9S, R20E, S.L.B.&M.

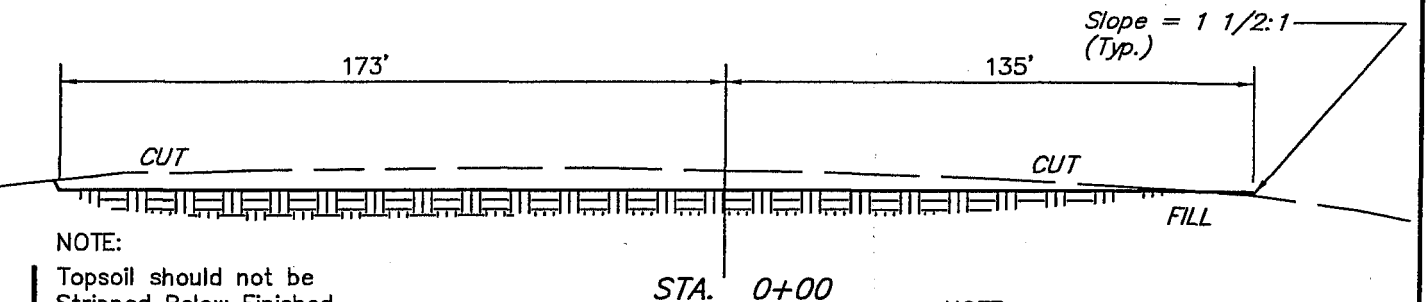
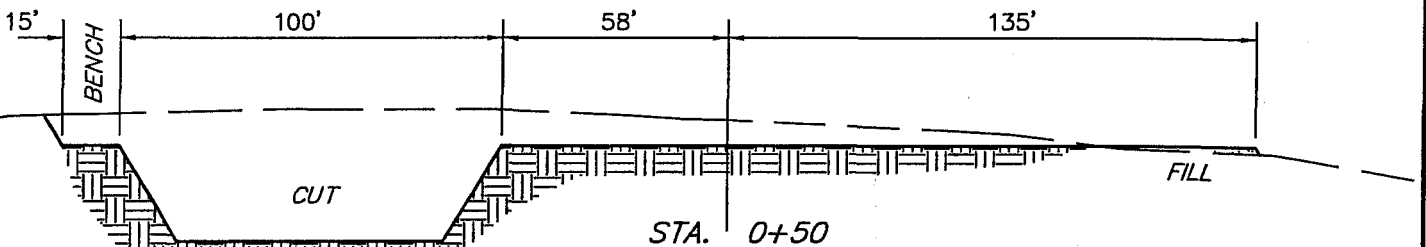
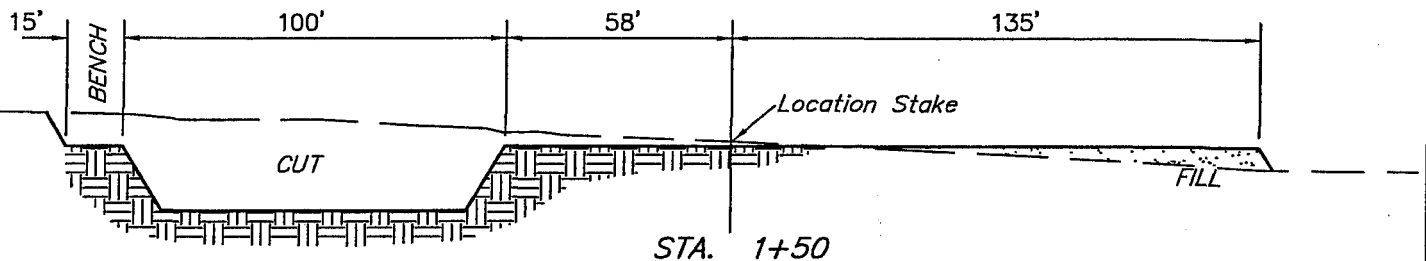
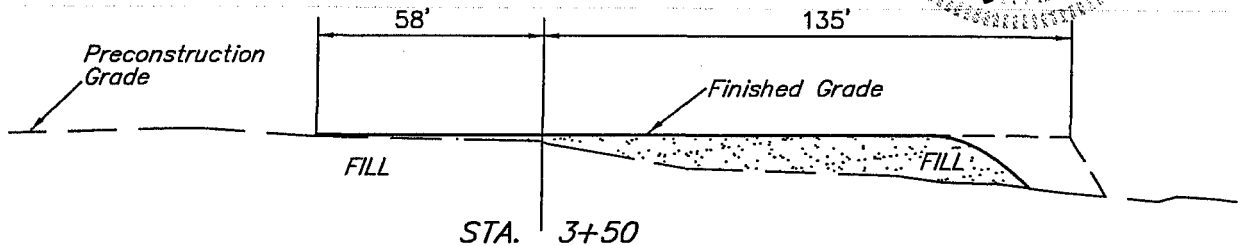
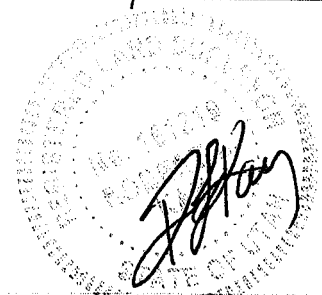
2012' FNL 2051' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 05-30-05

Drawn By: D.R.B.

Rev.: 06-21-05 D.R.B.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,740 Cu. Yds.
Remaining Location	= 7,450 Cu. Yds.
TOTAL CUT	= 9,190 CU.YDS.
FILL	= 2,560 CU.YDS.

EXCESS MATERIAL	= 6,730 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,880 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 2,850 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/19/2005

API NO. ASSIGNED: 43-047-37009

WELL NAME: NBU 920-25G

OPERATOR: WESTPORT OIL & GAS CO (N2115)

CONTACT: DEBRA DOMENICI

PHONE NUMBER: 435-781-7060

PROPOSED LOCATION:

SWNE 25 090S 200E

SURFACE: 2012 FNL 2051 FEL

BOTTOM: 2012 FNL 2051 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0579

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.00809

LONGITUDE: -109.6118

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. CO-1203)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit
(No. 43-8496)

☒ RDCC Review (Y/N)
(Date:)

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit NATURAL BUTTES

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-99

Siting: 460' to edge of uncomm. tract

R649-3-11. Directional Drill

COMMENTS:

See Separate file

STIPULATIONS:

1- Federal Approval
2- OIL SHALE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 25, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ Wasatch-MesaVerde)

43-047-36998 NBU	920-25K	Sec 25 T09S R20E 2025 FSL 1908 FWL
43-047-36999 NBU	920-25L	Sec 25 T09S R20E 1993 FSL 0650 FWL
43-047-37000 NBU	920-25M	Sec 25 T09S R20E 0696 FSL 0841 FWL
43-047-37001 NBU	920-25N	Sec 25 T09S R20E 0584 FSL 1888 FWL
43-047-37002 NBU	920-25O	Sec 25 T09S R20E 0724 FSL 2156 FEL
43-047-37003 NBU	920-25P	Sec 25 T09S R20E 0707 FSL 0666 FEL
43-047-37005 NBU	920-25C	Sec 25 T09S R20E 0579 FNL 2047 FWL
43-047-37006 NBU	920-25D	Sec 25 T09S R20E 0627 FNL 1002 FWL
43-047-37007 NBU	920-25E	Sec 25 T09S R20E 2005 FNL 0666 FWL
43-047-37008 NBU	920-25F	Sec 25 T09S R20E 2194 FNL 1924 FWL
43-047-37009 NBU	920-25G	Sec 25 T09S R20E 2012 FNL 2051 FEL
43-047-37010 NBU	920-25J	Sec 25 T09S R20E 1956 FSL 1903 FEL
43-047-37012 NBU	920-26C	Sec 26 T09S R20E 0740 FNL 1996 FWL
43-047-37013 NBU	920-26D	Sec 26 T09S R20E 0938 FNL 0552 FWL
43-047-37014 NBU	920-26E	Sec 26 T09S R20E 1926 FNL 0841 FWL
43-047-37015 NBU	920-26F	Sec 26 T09S R20E 1997 FNL 2053 FWL
43-047-37016 NBU	920-26K	Sec 26 T09S R20E 1969 FSL 1986 FWL
43-047-37017 NBU	920-26L	Sec 26 T09S R20E 1907 FSL 0461 FWL
43-047-37018 NBU	920-26N	Sec 26 T09S R20E 0538 FSL 2143 FWL
43-047-37019 NBU	920-35C	Sec 35 T09S R20E 0865 FNL 1787 FWL

Page 2

API #	WELL NAME	LOCATION
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(Proposed PZ Wasatch-MesaVerde)

43-047-37023	NBU 920-35F	Sec 35 T09S R20E 1805 FNL 1962 FWL
43-047-37024	NBU 920-35K	Sec 35 T09S R20E 2075 FSL 2066 FWL
43-047-37026	NBU 920-35N	Sec 35 T09S R20E 0574 FSL 2195 FWL
43-047-37029	NBU 1021-14M	Sec 14 T10S R21E 1260 FSL 1330 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 25, 2005

Westport Oil & Gas Company, LP
1368 South 1200 East
Vernal, UT 84078

Re: Natural Buttes Unit 920-25G Well, 2012' FNL, 2051' FEL, SW NE, Sec. 25,
T. 9 South, R. 20 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37009.

Sincerely,


Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Westport Oil & Gas Company, LP
Well Name & Number Natural Buttes Unit 920-25G
API Number: 43-047-37009
Lease: UTU-0579

Location: SW NE Sec. 25 T. 9 South R. 20 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

RECEIVED

JUN 17 2005

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. UTU-0579	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name	
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.			7. If Unit or CA Agreement, Name and No. NATURAL BUTTES UNIT	
3A. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078			8. Lease Name and Well No. NBU 920-25G	
3b. Phone No. (include area code) (435) 781-7060			9. API Well No. #304737009	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 1212' FNL 2051' FEL At proposed prod. Zone			10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 11.2 MILES SOUTHEAST OF OURAY, UTAH			11. Sec., T., R., M., or Blk, and Survey or Area SEC 25-T9S-R20E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2012'		16. No. of Acres in lease 1920	17. Spacing Unit dedicated to this well 40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C		19. Proposed Depth 10025'	20. BLM/BIA Bond No. on file CO-1203	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4857.8' GL		22. Approximate date work will start* UPON APPROVAL	23. Estimated duration TO BE DETERMINED	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature <i>Debra Domenici</i>	Name (Printed/Typed) DEBRA DOMENICI	Date 8/17/2005
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ASSOCIATE ENVIRONMENTAL ANALYST		
Approved by (Signature) <i>Howard B. Clearmont</i>	Name (Printed/Typed)	Date 01/05/2006
Title Assistant Field Manager Mineral Resources	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
RECEIVED

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

JAN 11 2006

DIV. OF OIL, GAS & MINING



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Westport Oil & Gas Company, L.P. Location: SWNE, Sec. 25, T9S, R20E
Well No: NBU 920-25G Lease No: UTU-0579
API No: 43-047-37009 Agreement: Natural Buttes Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
After hours contact number: (435) 781-4513		FAX: (435) 781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Holly Villa)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Holly Villa)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing cementing (Notify Jamie Sparger)	- Twenty-Four (24) hours prior to running casing and all casing strings.
BOP & Related Equipment Tests (Notify Jamie Sparger)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for More than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- A Paleontologist acceptable to the BLM will monitor construction activity for surface disturbing activities described in the APD. If paleontologic resources are uncovered during construction activities, the operator shall immediately suspend all operations that will further disturb such resources, and immediately notify a BLM representative. The representative will arrange for a determination of significance and, if necessary, recommend a recovery or avoidance plan.
- An Archaeologist acceptable to the BLM will monitor construction activity for surface disturbing activities described in the APD.
- Paint all facilities Fuller O'Brian color Carlsbad Canyon (2.5Y 6/2). Any paint brand may be used provided the colors match.
- No drilling or construction will be allowed between May 15th through June 20th to protect pronghorn during kidding season. This timing restriction may be waived by a BLM representative qualified to do so, if a survey is conducted and the pronghorn prove to not be in that area.
- The interim seed mix for this location shall be:

Needle and Thread grass	<i>Stipa comata</i>	6lbs. /acre
Crested Wheat grass	<i>Agropyron cristatum</i>	6lbs. /acre

 - All pounds are in pure live seed.
 - Reseeding may be required if first seeding is not successful.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- None

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.
- **Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water

analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)

435-781-7060

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWNE SEC 25-T9S-R20E

2012' FNL 2051' FEL

5. Lease Serial No.

UTU-0579

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 920-25G

9. API Well No.

43-047-37009

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

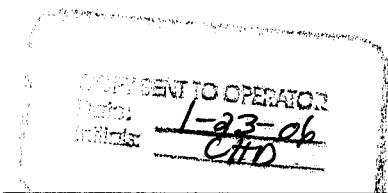
UINTAH, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> INTERIM SURFACE
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> RECLAMATION PLAN

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

WHEN THE PIT IS BACKFILLED, WITHIN 180 DAYS OF WELL COMPLETION, OPERATOR SHALL SPREAD THE TOPSOIL PILE ON THE LOCATION UP TO THE RIG ANCHOR POINTS. THE LOCATION WILL BE RESHAPED TO THE ORIGINAL CONTOUR TO THE EXTENT POSSIBLE. OPERATOR WILL RESEED THE AREA USING THE BLM RECOMMENDED SEED MIXTURE AND RECLAMATION METHODS.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

DEBRA DOMENICI

Title

ASSOCIATE ENVIRONMENTAL ANALYST

Signature

Debra Domenici

Date

January 11, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Oil, Gas and Mining

Federal Approval Of This Action Is Necessary

Date:

1/19/06

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

JAN 17 2006

ENVIRONMENTAL AND MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):

N2115-Westport Oil & Gas Co., LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

TO: (New Operator):

N2995-Kerr-McGee Oil & Gas Onshore, LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

CA No.		Unit:		NATURAL BUTTES UNIT				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other **CHANGE OF OPERATOR**

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005237

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :
1999 Broadway, Suite 3700 : Oil & Gas
Denver, CO 80202 :

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell
Martha L. Maxwell
Land Law Examiner
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare
Dave Mascarenas
Susan Bauman

RECEIVED

MAR 28 2006

DIV. OF OIL, GAS & MIN. LB

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR KERR-MCGEE OIL & GAS ONSHORE LP
ADDRESS 1368 SOUTH 1200 EAST
VERNAL, UTAH 84078

OPERATOR ACCT. NO. N N2995

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	15460	4304737094	BONANZA 1023-2D	NWNW	2	10S	23E	UINTAH	6/22/2006	6/29/06
WELL 1 COMMENTS: MIRU BUCKET RIG SPUD WELL @ 1230 HRS 4/22/06 <i>WSTMVD</i> SET 40' 14" SCHEDULE 10 PIPE BLM & STATE NOTIFIED OF SPUD											
B	99999	2900	4304736561	NBU 921-31G	SWNE	31	9S	21E	UINTAH	6/23/2006	6/29/06
WELL 2 COMMENTS: MIRU BUCKET RIG SPUD WELL @ 1000 HRS 6/23/06 DRILL & SET 40' 14" SCHEDULE 10 PIPE <i>WSTMVD</i> BLM & STATE NOTIFIED OF SPUD.											
	99999		4304737002	NBU 920-250	SWSE	25	9S	20E	UINTAH	6/23/2006	
WELL 3 COMMENTS: MIRU BUCKET RIG SPUD WELL @ 1300 HRS 6/23/06 <i>Duplicate - processed 6/22/06</i> DRILL & SET 40' 14" SCHEDULE 10 PIPE BLM & STATE NOTIFIED OF SPUD.											
B	99999	2900	4304737009	NBU 920-25G	SWNE	25	9S	20E	UINTAH	6/23/2006	6/29/06
WELL 4 COMMENTS: MIRU BUCKET RIG SPUD WELL @ 1430 HRS 6/23/06 <i>WSTMVD</i> DRILL & SET 40' 14" SCHEDULE 10 PIPE BLM & STATE NOTIFIED OF SPUD.											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)
A - Establish new entity for new well (single well)
B - Add new well to existing entity (group or unit)
C - Re-assign well from one existing entity to another
D - Re-assign well from one existing entity to a new entity
E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each action is taken.
(3/89)

Post-It® Fax Note 7671

Date	6/26/06	# of pages	1
To	Erin Russell	From	Ramsey Harper
Co./Dept.	UT DGM	Co.	Kerr-McGee
Phone #	(801) 538-5336	Phone #	(435) 781-7003
Fax #	(801) 359-3940	Fax #	(435) 781-7094

Ramsey Harper
Signature

REGULATORY CLERK 06/26/06
Title Date

Phone No. 435-781-7003

RECEIVED

JUN 26 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENE SEC. 25, T9S, R20E 2012'FNL, 2051'FEL

5. Lease Serial No.

UTU-0579

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

8. Well Name and No.

NBU 920-25G

9. API Well No.

4304737009

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other FINAL DRILLING OPERATIONS
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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FINISHED DRILLING FROM 2770' TO 9835' ON 08/10/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/570 SX PREM LITE II @11.8 PPG 2.52 YIELD. TAILED CMT W/1480 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DROPPED PLUG AND DISPLACED W/152.4 BBLS CLAYTREAT WATER + 1 GAL MAGNACIDE @2820 PSI DIFF BUMPED PLUG W/3340 PSI FLOATS HELD W/1.75 RETURN GOOD RETURNS THROUGHOUT JOB 14 BBLS TO RESERVE PIT. SET SLIP @113,000# N/D BOP MAKE ROUGH CUT ON CSG LAY OUT SAME. CLEAN PITS.

RELEASED PIONEER RIG 54 ON 08/10/2006 AT 3:00 PM.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Title

Regulatory Analyst

Signature

Date

August 16, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED
AUG 21 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENE SEC. 25, T9S, R20E 2012'FNL, 2051'FEL

5. Lease Serial No.

UTU-0579

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

8. Well Name and No.

NBU 920-25G

9. API Well No.

4304737009

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/08/2006 AT 8:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchege

Signature

Title

Regulatory Analyst

Date

September 11, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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(Instructions on reverse)

RECEIVED

SEP 15 2006

DIV OF OIL GAS & MINING

KERR MCGEE OIL & GAS ONSHORE, LP

CHRONOLOGICAL HISTORY

NBU 920-25G

	SPUD	Surface Casing	Activity	Status
06/15/06 54			Building Location, 40% Complete	Pioneer
06/16/06 54			Building Location, 40% Complete	Pioneer
06/19/06 54			Building Location, 40% Complete	Pioneer
06/20/06 54			Building Location, 65% Complete	Pioneer
06/21/06 54			Building Location, 75% Complete	Pioneer
06/22/06 54			Building Location, 85% Complete	Pioneer
06/23/06 54			Building Location, 90% Complete	Pioneer
06/26/06			Location Complete	Pioneer 54
06/27/06	6/23/06 6/26/06		Set Conductor, Drilling Air Rig Spud	Pioneer 54
07/05/06	6/26/06	9 5/8" @ 2734'	WORT, Ring In	Pioneer 54
07/27/06	TD: 2770'	Csg. 9 5/8" @ 2734'	MW: 8.4	SD: 7/13/06 DSS: 0
	Move rig f/ NBU 920-25O. 100% moved and 50% rigged up @ report time.			
07/28/06	TD: 2770'	Csg. 9 5/8" @ 2734'	MW: 8.4	SD: 7/XX/06 DSS: 0
	RURT. NU BOPE @ report time.			
07/31/06	TD: 4970'	Csg. 9 5/8" @ 2734'	MW: 9.3	SD: 7/29/06 DSS: 3
	NU and test BOPE. PU BHA and DP. Could not circulate. POOH and lay down plugged drill collar. TIH and drill FE. Drill from 2770'-3402'. Circulate out gas and mud up. Drill to 4970'. DA @ report time.			
08/01/06	TD: 5934'	Csg. 9 5/8" @ 2734'	MW: 10.2	SD: 7/29/06 DSS: 4
	Drill from 4970'-5934'. DA @ report time.			
08/02/06	TD: 6365'	Csg. 9 5/8" @ 2734'	MW: 10.2	SD: 7/29/06 DSS: 5

Drill from 5934'-5940'. TFNB. Drill to 6256'. Attempt to survey, broke survey line. POOH and retrieve survey tool. Drill to 6365'. DA @ report time.

08/03/06 TD: 7079' Csg. 9 5/8" @ 2734' MW: 10.4 SD: 7/29/06 DSS: 6
Drill from 6365'-7079'. DA @ report time.

08/04/06 TD: 7775' Csg. 9 5/8" @ 2734' MW: 10.8 SD: 7/29/06 DSS: 7
Drill from 7079'-7775'. DA @ report time.

08/07/06 TD: 9602' Csg. 9 5/8" @ 2734' MW: 11.6 SD: 7/29/06 DSS: 10
Drill from 7775'-8694'. TFNB and MM. Drill to 9602'. DA @ report time. Top of MV @ 8962'.

08/08/06 TD: 9745' Csg. 9 5/8" @ 2734' MW: 12.2 SD: 7/29/06 DSS: 11
Drill from 9602'-9718'. TFNB. Drill to 9745'. DA @ report time.

08/09/06 TD: 9835' Csg. 9 5/8" @ 2734' MW: 12.3 SD: 7/29/06 DSS: 12
Drill from 9745'-9835' TD. CCH and short trip 10 stds. CCH and POOH for logs. Run Triple Combo. TIH @ report time.

08/10/06 TD: 9835' Csg. 9 5/8" @ 2734' MW: 12.3 SD: 7/29/06 DSS: 13
TIH and CCH for casing. Lay down drill string. Run and cement 4 1/2" Production Casing @ report time.

08/11/06 TD: 9835' Csg. 9 5/8" @ 2734' MW: 12.3 SD: 7/29/06 DSS: 14
Finish cementing 4 1/2" Production Casing. Set slips and release rig @ 1500 hrs 8/10/06. RDRT.

08/31/06 PROG: 7:00 A.M. HSM
P/U 3 7/8" MILL, BIT SUB, & RIH, P/U 310 JTS OFF TRAILER. TAG PBTD @ 9797'. R/U PMP & LINES. REV CIRC W/ 70 BBLs 2% KCL. R/D PMP & LINES. POOH L/D 40 JTS ON TRAILER. LAND TBG. RIG DWN RIG. RELEASE LEED 704.

09/01/06 PROG: 7:00 a.m. HSM
ROAD RIG & EQUIP F/ VERNAL YARD TO LOC. MIRU. UNLAND TBG & POOH. L/D MILL & BIT SUB. MIRU CUTTERS. P/U CBL/CCL/GR LOG TOOLS & RIH. TAG PBTD @ 9789', LOG WELL F/ PBTD TO SURF. POOH, L/D LOG TOOLS. MIRU B&C QUICK TST. PSI TST CSG & FRAC VLV ASSEMBLY TO 7500# (HELD). BLEED OFF, RDMO B&C. P/U 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF, 90 DEG PHASING & RIH. SHOOT 24 HOLES F/ 9736' -42', P/U SHOOT 9 HOLES F/ 9715' - 18', P/U SHOOT 12 HOLES F/ 9666' - 69'. POOH. RDMOCUTTERS. PREP TO FRAC TUES A.M. SDFWE.

09/05/06 PROG: 7:00 A.M. HSM

0.35 ALL MESA VERDE PERFS SHOT W/ 3 3/8" PERF GUNS LOADED W/ 23 GM CHARGES,
HOLES, ALL WASATCH PERF'S SHOT W/ 3 1/8" HSC GUN'S LOADED W/ 12 GM CHARGES. 0.34 HOLE. ALL ZONES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GAL PER HOUSAND IN PAD & 1/2 RAMP. 10 GAL PER THOUSAND IN FLUSH. OPEN WELL, 1950 PSI ON WELL.

STAGE 1: BRK DWN PERF'S @ 4178 PSI, ESTABLISH INJECTION RATE OF 50.6 BPM @ 5500 PSI. ISIP: 2770 PSI, FG OF .72, FRAC STAGE 1 W/46,200# 20/40 SAND W/ RECYCLED PRODUCED SLICK WATER. TOTAL CLEAN FLUID: 1467 BBLs. ISIP: 3290 PSI, NPI: 520 PSI, FG: .78

STAGE 2: PICK UP 3 3/8" EXP. PERF. GUN & 4 1/2" COMP. BP RUN IN HOLE. SET CBP @ 9592'. PICK UP & SHOOT 24 HOLES, FROM 9554' TO 9562'. PICK UP & SHOOT 18 HOLES FROM 9450' TO 9456', PULL OUT OF HOLE. BREAK PERFS DOWN @ 3623 PSI, INJ. RATE OF 49.8 BPM @ 5700 PSI. ISIP OF 2230 PSI, FG OF .67. FRAC STAGE 2 WITH 62,340# 20/40 IN FORMATION, SCREENED OUT. FLOWED WELL BACK ABOUT 250 BBLs, REFLUSHED W/146 BBLs.

STAGE 3: RUN IN HOLE W/3 3/8" EXP. PERF. GUN & 4 1/2" CBP, RUN TO 9006' & SET CBP, PICK UP & SHOOT 20 HOLES FROM 8971' TO 8976', PICK UP & SHOOT 20 MORE HOLES FROM 8783' TO 8788', PULL OUT OF HOLE. BREAK DOWN PERFS W/ 3088#, EST INJ RT @ 40 BPM @ 5200#, ISIP 2550#, FG .73, FRAC STG 3 W/ 37151# 20/40 SAND W/ RECYCLED PRODUCED SLK WTR. TOT CL FL 1024 BBLs, ISIP 3070#, NPI 520#, FG .78

STG 4: P/U 3 3/8" EXP PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 8638', P/U SHOOT 20 HOLES F/ 8434' - 39', P/U SHOOT 20 HOLES F/ 8603' -08', POOH. BRK DWN PERFS @ 3199 PSI, ISIP: 2330 PSI, FG OF .071, FRAC STAGE 4 W/ RECYCLED PRODUCED SLICKWATER, & 59,239# 20/40 SAND. TOTAL FLUID 1590 BBLs., ISIP: 3000 PSI, NPI: 650 PSI, FG: .79 .

STAGE 5: PU & RUN 3 3/8" EXP. PERF GUNS & 4 1/2" BAK 8K CBP, RIH & SET CBP @ 8339', PU & SHOOT 32 HOLES F/ 8301-8309. BREAK DOWN PERFS @3666 PSI. ISIP2800 PSI, FG OF 0.78. FRAC STAGE 5 W/ RECYCLED PRODUCED SLICKWATER & 12591# 20/40 SAND. TOTAL FLUID: 466 BBLs., ISIP: 3150 PSI, NPI: 350 PSI, FG: .82

STAGE 6: PU & RUN 3 3/8" EXP. PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7740' PU & SHOOT 21 HOLES F/7685-7692 3 SPF, PICK UP & SHOOT 20 HOLES F/7409-7414, 4 SPF.

09/06/06

PROG: 7:00AM HSM SICP: 1225 PSI, CONTINUE FRAC,

STAGE 6: BREAK PERFS @ 2722 PSI, ISIP: 2150 PSI, FG: 0.72, INJECT. RATE: 49.8 BPM @ 4540 PSI, FRAC STAGE 6 W/ 51,000# 20/40 SAND, TOTAL FLUID: 1325 BBLs, ISIP: 2940 PSI, NPI: 790 PSI, FG: 0.83.

STAGE 7: RIH W/3 1/8" HSC GUNS & 4 1/2" CBP, SET CBP @ 6660', PICK UP & PERFORATE STAGE 7 W/36 HOLES, 6623-6632', BREAK DOWN PERFS W/ 2197 PSI, ISIP: 1662 PSI, INJ. RATE: 50 BPM @ 4300 PSI, FG OF 0.69. TOTAL SAND: 28,748#, TOTAL FLUID PUMPED: 640 BBLs., ISIP: 2467 PSI, NPI: 805 PSI, FG: 0.81. P/U 4 1/2" CBP & RIH. SET KILL PLUG @ 6530'. POOH. RDMO CUTTERS. RDMO SCHLUMBERGER. ND FRAC VLV'S, NU BOPE, P/U 3 7/8" SMITH BIT, POBS. TALLY TBG & RIH. TAG FILL @ 6520', RU PUMP, LINES & PS, CLEAN OUT TO CBP @ 6530, DRILL OUT PLUG, TOOK 2000# KICK. SWIVEL IN 3 JTS., TAG FILL @ 6628', CLEAN OUT TO 2nd PLUG @ 6660', DRILL OUT PLUG, CLEAN OUT TO 2ND PLUG @ 6660'. D/O PLUG, TOOK A 1500# KICK, RUN BIT TO 6692'. CIRC CLEAN. SDFN.

09/07/06

PROG: 7:00am HSM. WELL HAD 2000 PSI, OPEN WELL TO PIT, PRESSURE DROPPED TO 300 PSI. RUN BIT TO 7700', TAG FILL @ 7700', CLEAN OUT FILL TO CP @ 7740', DRILL OUT CP, TOOK 200# KICK. RUN BIT TO FILL @ 8309', CLEAN OUT 30' FILL TO CP @ 8339', DRILL OUT CP, TOOK 1500# KICK. RUN BIT TO FILL @ 8609', CLEAN OUT 31' SAND TO CP @ 8638', DRILL OUT CP, TOOK 1000# KICK. RUN BIT TO 8976', TAG SAND, CLEAN OUT 30' SAND TO CP @ 9006'. DRILL OUT CP, TOOK 700# KICK. RUN BIT TO 9560', CLEAN OUT 32' SAND TO CP @ 9592', DRILL OUT CP, TOOK 300# KICK.

RUN BIT TO 9750', TAG SAND, CLEAN OUT TO 9793' . CIRC. CLEAN. PULL & LAY
DOWN 29 JTS., EOT @ 8864' , ND BOP & NU WELL HEAD. DROP BALL & PUMP 20
BBLs.,PRESSURED UP TO 3200 PSI. , PLUGS PUMPED OFF. RD, TURN WELL
OVER TO FLOW BACK CREW..

JTS. ON LOCATION: 316 JTS..
JTS. IN WELL: 279 JTS.
JTS. LEFT ON TRAILER: 37 JTS.

09/11/06

ON SALES

09/08/06: 763 MCF, 0 BC, 576 BW, TP: 1850#, CP: 2650#, 20/64 CHK, 16 HRS, LP: 369#.

09/09/06: 1772 MCF, 0 BC, 360 BW, TP: 1450#, CP: 2100#, 20/64 CHK, 24 HRS, LP: 373#.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

5. Lease Serial No.

UTU-0579

1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

2. Name of Operator

KERR MCGEE OIL & GAS ONSHORE LP

3. Address

1368 SOUTH 1200 EAST VERNAL, UTAH 84078

3a. Phone No. (include area code)

(435)-781-7024

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*

At surface

SWNE 1212'FNL, 2051'FEL

At top prod. interval reported below

At total depth

14. Date Spudded

06/23/06

15. Date T.D. Reached

08/10/06

16. Date Completed

☐ D & A☒ Ready to Prod.

08/09/06

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

UNIT #891008900A NBU UNIT

8. Lease Name and Well No.

NBU 920-25G

9. API Well No.

4304737009

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Block and
Survey or Area

SEC 25, T9S, R20E

12. County or Parish

UINTAH

13. State

UTAH

17. Elevations (DF, RKB, RT, GL)*

4858'GL

18. Total Depth: MD
TVD

9835'

19. Plug Back T.D.: MD
TVD

9789'

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CBL-CCL-GR

22. Was well cored? ☒ No ☐ Yes (Submit copy)Was DST run? ☒ No ☐ Yes (Submit copy)Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#	H-40 J-55	2770'		700 SX			
7 7/8"	4 1/2"	11.6#		9835'		2050 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	8864'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	6624'	7692'	6624'-7692'	0.34	77	OPEN
B) MESAVERDE	8301'	9742'	8301'-9742'	0.35	199	OPEN
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
6624'-7692'	PMP 1965 BBLs SLICK H2O & 79,748# 20/40 SD
8301'-9742'	PMP 6789 BBLs SLICK H2O & 217,529# 20/40 SD

RECEIVED

OCT 11 2006

DIV. OF OIL, GAS & MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/08/06	09/12/06	16	→	0	1,746	340			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 768#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1205#	→	0	1746	340			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/08/06	09/12/06	16	→	0	1746	340			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 768#	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1205#	→	0	1746	340			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (*Sold, used for fuel, vented, etc.*)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
WASATCH MESAVERDE	4965' 7681'	7681'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey
5. Sundry Notice for plugging and cement verification 6. Core Analysis 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEGO

Title REGULATORY ANALYST

Signature

Date 10/4/2006

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.